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15 Jan 04

Addendum #4

RFP# B03252

Title: Office Supplies, Paper, and Toner

Submission Deadline: EXTENDED to 27 January 04 @ 2:45 PM

- Note that the submission deadline has been extended.
- The pre-proposal meeting summary is posted in this addendum.
- No further questions shall be entertained.

A handwritten signature in black ink, appearing to read "Jerome D. Moynihan".

Jerome D. Moynihan, C.P.M., CPPO
Administrator of Purchasing Systems

Questions from Pre-Bid Conference

January 8, 2004

1. Q: Are you going to re-bid the top three vendors?

A: We reserve the right to negotiate with the top three vendors.

2. Q: You mentioned that there might be one award or several awards. Does this mean that if you only bid on toner or paper, then you will not be considered in the final award?

A: All proposals will be considered. We are looking at all options in the best interest of the State.

3. Q: Will you be posting the revised cost proposal grids with usage on the Internet?

A: Yes

4. Q: In Addendum 2, will the State provide electronic copies of the usage reports, so that bidders (for those that have centralized bidding) do not have to key in the usage prior to submitting their pricing?

A: Yes. Please send an email to eresponse@purchasing.state.ri.us with "USAGE3252" in the "Subject" header of the email to obtain an MS Excel version of the usage data reports provided in Addendum 2 of this RFP.

5. Q: 65% of the weighting criteria is based on the pricing. Is the weighting going to be broken out in relation to the 1146 items vs. off-contract items with basic weighting as a percent of the total, or will there be a different weighting on core vs. non-core discounts?

A: There are no specific further details being provided. The general intent is to have the market basket take greater precedence.

6. Q: For evaluation purposes, will you utilize the historical usage or straight line cost analysis?

A: The historical usage is going to be a component to factor in the relative benefits of the pricing of each item. The historical usage is only a partial usage of what was purchased in the past, and does not necessarily reflect what the State will be buying going forward.

7. Q: Each of us will have a number that we have to reach. In order to attain that number, you will be utilizing extensions of usage x new unit price. We could give you an extended total and that is what we hope you would use instead of straight line item analysis. Each vendor would have a dollar amount.

*A: We are **not** just looking for a total of the market basket extended price, with none of the items filled out. We are looking for item by item pricing, so we are not looking to price out the market basket with an extended dollar figure – but rather to evaluate pricing on each individual item. End-users will be putting more weight on items they buy. The extended usage is best way to forecast our savings. For example, there may be four types of binders. In the past, the State may have bought more of one type than they may buy going forward, based on pricing that is offered for the low usage item that might, in fact, become standard.*

8. Q: The State is looking to enter a multi-year contract. What happens with pricing? Do we guarantee pricing for several years?

A: The intent is to enter into a 3-year contract but with the recognition that for paper, toner and office supplies, each will have separate requirements for annual review. The specifics on the mechanics of the annual review would be determined in final negotiations with the supplier. Please refer to section IV.A.1 of the RFP for specific details on terms of pricing.

9. Q: Vendor stated that, over 4 years, prices would increase.

A: The specifics that you should refer to in your initial response are in Section IV.A in the Cost Proposal, which talks about Terms of Pricing and it refers to the current guidelines you should follow in submitting this bid for each of the subcategories.

10. Q: I notice that you have revised the Office Supplies and Paper sections with usage. Can we anticipate seeing something like that in the Toner section as well?

A: That information is not available.

11. Q: With respect to "Alternates," where the Universal brand is not available, would State accept private labeled products as Universal substitutes?

A: Yes

12. Q: On the Toner, will requirements be OEM toner cartridge or re-manufactured cartridge?

A: Usually, on our bids for toner we have required an OEM type provider, but in this case we are requesting pricing for a generic brand and a re-manufactured brand as well. There is an opportunity to propose substitute products which would be re-manufactured or generic. In all cases where an alternate or substitute product is offered, the State reserves the right to request quantities sufficient for testing at no charge, and to test the items proposed by Bidders prior to making a contract award. Please see Addendum 4 for the revised pricing grids that allow Bidders to propose generic and/or re-manufactured substitutes.

13. Q: In General Office Supplies, did the usage numbers come from the current vendor?

A: Yes, they did.

14. Q: The proposal refers to electronic bid forms. Can you clarify exactly what that is?

A: The electronic bid forms are electronic files of the spreadsheets provided as Pricing Grids for the Technical and Cost Proposals in this RFP. The purpose of these spreadsheets is to provide a standard format for submitting a printed and an electronic copy of the proposals. The completed electronic files (RFP#B03252_Cost_Proposal.xls and RFP#B03252_Technical_Proposal.xls) are what must be submitted on a CD as part of the completed bid. These files can be obtained by sending an email to eresponse@purchasing.state.ri.us with the bid number "B03252" in the "Subject" header of the email. Please see Section II.G of the RFP for further details. These files are also available on CD-ROM, and can be picked up at the Division of Purchases.

15. Q: In the Section on Other Discounts, there are defined usage volume bands. If they choose to do something creative, can Vendors use yellow section to offer alternatives (below Rebates)?
- A: *There is no way to change the contents of cells. The cells are locked. If you want to propose an alternative, the easiest way to do that would be to do so in the section A.24 in the Technical Proposal, where you may submit an alternative proposal in addition to whatever your response is to the Rhode Island required proposal.*
16. Q: Regarding responses on Excel Spreadsheet, are you limited to how much information you enter (in the Technical Proposal)?
- A: *No. The spreadsheet should accept all information you write in. You can also write in Word and then cut and paste, which might be easiest way to do it.*
17. Q: Will Minority Vendors be a weighted factor in the evaluation?
- A: *This will not be weighted. The State's goal is for 10% of all contract awards to go to minority vendors, but it is a goal.*
18. Q: Until the contract is actually awarded, will purchasing procedure remain as it currently is, except there will be no contract in place?
- A: *Yes. The contract for toner expired 10/31/03. Right now there is no contract in place. We are basically working on a bid for each individual order. That practice will continue. Under \$250, Agency can use anyone they want. \$250 and over, there must be three quotes.*
19. Q: Regarding delivery requirements relative to office supplies: is there any way to know which sites would require desk-to-desk delivery?
- A: *That information is not available. Agencies may change their requests often. You would have to be prepared to deliver to any State agency or remote satellite location within the State of Rhode Island. It could be Westerly to Woonsocket.*
20. Q: So toner and paper will be negotiated on a yearly basis?
- A: *It depends on what the final agreement is between Rhode Island and the suppliers. The decision may be negotiation or it may be a common agreement on how pricing will be indexed on an annual basis. The intent is to have a multi-year contract, but there is recognition that pricing does change annually. We realize it is important to have a component that allows both sides to discuss it. How that is determined is going to be a negotiated consensus between the finalist (s) and Rhode Island.*

21. Q: Is there a ballpark for the time involved in finalizing arrangements. I know that you cannot really give dates, would 90 days be a reasonable guess from initiation to finalization?

A: *The State hopes to make an award(s) within 60 days from the submission deadline but this is a target, not a requirement.*

22. Q: This will be State agencies only, and not any municipalities receiving same pricing?

A: *It is at the vendor's discretion if they want to extend pricing to cities and towns. We are concerned about best prices for the State.*

23. Q: The usage figures provided are based on State usage?

A: *Yes*

24. Q: Regarding recycled / non-recycled paper: in the last ten years some manufacturers have shifted to solely recycled; some paper types are only available recycled.

A: *The usage quantities provided are based on the total of recycled and non-recycled usage. Please provide pricing for both recycled and non-recycled papers where both are available, and indicate "N/A" if a particular type is not available.*

25. Q: Is there any delineation between the alternates and the OEM's or is the weighting exactly the same?

A: *In terms of the weighting, it has not been determined at that level of detail.*

26. Q: What if we are the low bidder on the alternate, but not on the OEM?

A: *The State will have to determine that once it looks at the bids and also at the specific quality of the item that is being proposed as an alternative.*

27. Q: Does the State have an electronic ordering system with which vendors have to be compatible?

A: *The electronic ordering system mentioned in the RFP refers to the vendor's ordering system.*

28. Q: Will there be several awards in a specific category?

A: *There may be several awards based on this solicitation, not necessarily breaking up a given subcategory into different awards.*

29. Q: Regarding Office Supplies: will you be likely to cherry pick different vendors for different categories within office supplies?

A: *No. Office supplies may go to one vendor, toner to another vendor or everything could go to one vendor depending on the competitiveness of the proposals. We do not intend to break up office supplies or toner by component.*

30. Q: If there were 4 or 5 items an office supplier could provide at a lower cost, and maybe if the more specialized paper a paper company could supply at a lower cost, would that be broken up?

A: *It would be based on the strength of the bids that come back, so the State cannot make a firm commitment either way. It is difficult to respond to specific hypothetical scenarios until we review vendor responses.*

31. Q: Let us suppose that multi-purpose paper is awarded to one vendor and there are problems with that paper. Does individual state department have the option of looking for another paper?

A: No. If there are concerns about the quality of what a vendor submits, the State will take samples for testing, but once contract awards are made, state agencies must abide by these awards.

32. Q: Is there a ratio or percentage relative to those items you are asking for prices on vs. total spending, i.e., contract items and non-contract items?

A: While there are no specifics we can provide, spending on market basket items has been a minority of spend in the past, but will be a strong majority of spend in the future.